

IF A LICENSEE COMPLIES WITH THE REQUIREMENTS OF THIS SECTION, THE COMMISSION MAY NOT CHARGE THE LICENSEE WITH A VIOLATION OF THIS TITLE OR THE CODE OF ETHICS ON THE BASIS OF MAKING A DEPOSIT IN AN ACCOUNT THAT EARNS INTEREST PAYABLE TO THE MARYLAND HOUSING RESOURCE CORPORATION.

(D) DUTY OF FINANCIAL INSTITUTION.

AT LEAST QUARTERLY, A FINANCIAL INSTITUTION IN WHICH AN ACCOUNT HAS BEEN ESTABLISHED UNDER THIS SECTION SHALL:

(1) DEDUCT FROM THE AGGREGATE INTEREST ACCUMULATED ON THE ACCOUNT ANY SERVICE CHARGE DUE ON THE ACCOUNT; AND

(2) PAY THE NET INTEREST TO THE MARYLAND HOUSING RESOURCE CORPORATION.

(E) REQUIRED NOTICES IN CONTRACTS.

A REAL ESTATE BROKER WHO PARTICIPATES IN THE MARYLAND HOUSING RESOURCE PROGRAM ESTABLISHED UNDER TITLE 13, SUBTITLE 6 OF THE FINANCIAL INSTITUTIONS ARTICLE SHALL INCLUDE IN ANY CONTRACT OF SALE USED BY THE REAL ESTATE BROKER A NOTICE THAT, IN SUBSTANCE, STATES: "~~UNLESS-THE-PURCHASER-AND-SELLER-GIVE-WRITTEN INSTRUCTIONS-TO-THE-CONTRARY,~~ THE DEPOSIT MONEY SHALL BE PLACED, AT THE SOLE DISCRETION OF THE REAL ESTATE BROKER, IN A NONINTEREST BEARING ACCOUNT OR AN INTEREST BEARING ACCOUNT THAT PAYS ALL INTEREST TO THE MARYLAND HOUSING RESOURCE CORPORATION".

(F) IMMUNITY FROM LIABILITY.

A REAL ESTATE BROKER WHO DEPOSITS TRUST MONEY IN AN INTEREST BEARING ACCOUNT MAINTAINED UNDER THIS SECTION IS NOT LIABLE FOR DAMAGES TO THE OWNER OR BENEFICIAL OWNER OF THE TRUST MONEY IF THE DEPOSIT IS MADE IN COMPLIANCE WITH:

(1) THE PROVISIONS OF THIS PART I OF THIS SUBTITLE;
AND

(2) THE APPLICABLE PROVISIONS OF THE CODE OF ETHICS.

SUBCOMMITTEE COMMENT: This section is new language derived without substantive change from former Art. 56, § 227A(d) and (e) and § 227A-1(a), (b), (d) and, as it related to the immunity provided a real estate broker who deposits trust money in an account on which interest is payable to the Housing Resource Corporation, (c)(1).

In subsection (a)(1) of this section, the phrase "if the owner or beneficial owner does not instruct otherwise" is added, on the recommendation of the Joint Subcommittee on the Business Occupations